

1 JOHN B. BULGOZDY (Cal. Bar No. 219897)

Email: bulgozdyj@sec.gov

2 SUSAN F. HANNAN (Cal. Bar No. 97604)

Email: hannans@sec.gov

3 Attorneys for Plaintiff

4 Securities and Exchange Commission

Michele Wein Layne, Acting Regional Director

5 John M. McCoy III, Associate Regional Director

6 John W. Berry, Regional Trial Counsel

5670 Wilshire Boulevard, 11th Floor

Los Angeles, California 90036

7 Telephone: (323) 965-3998

8 Facsimile: (323) 965-3908

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Richard W. Wieking
Clerk, U.S. District Court
Northern District of California
San Jose

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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN JOSE DIVISION

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 vs.

17 SMALL BUSINESS CAPITAL CORP.; MARK
18 FEATHERS; INVESTORS PRIME FUND,
LLC; and SBC PORTFOLIO FUND, LCC,

19 Defendants.

Case No.

CV 12 - 03237 EJD

EX PARTE APPLICATION FOR
TEMPORARY RESTRAINING ORDER
AND ORDER TO SHOW CAUSE

1 JOHN B. BULGOZDY (Cal. Bar No. 219897)
Email: bulgozdyj@sec.gov
2 SUSAN F. HANNAN (Cal. Bar No. 97604)
Email: hannans@sec.gov
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Securities and Exchange Commission
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6 5670 Wilshire Boulevard, 11th Floor
Los Angeles, California 90036
7 Telephone: (323) 965-3998
Facsimile: (323) 965-3908
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10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12 **SAN JOSE DIVISION**

13 SECURITIES AND EXCHANGE
14 COMMISSION,

15 Plaintiff,

16 vs.

17 SMALL BUSINESS CAPITAL CORP.; MARK
FEATHERS; INVESTORS PRIME FUND,
18 LLC; and SBC PORTFOLIO FUND, LCC,

19 Defendants.

Case No.

EX PARTE APPLICATION FOR
TEMPORARY RESTRAINING ORDER
AND ORDER TO SHOW CAUSE

1 Plaintiff Securities and Exchange Commission ("Commission") applies for a
2 temporary restraining order prohibiting defendants Mark Feathers, Small Business Capital Corp.
3 ("SB Capital"), Investors Prime Fund, LLC ("IPF"), and SBC Portfolio Fund, LLC ("SPF") from
4 committing violations of various antifraud provisions of the federal securities laws, for orders
5 freezing assets, appointing a temporary receiver over SB Capital, IPF and SPF, requiring
6 accountings, prohibiting the destruction of documents, and granting expedited discovery. In
7 addition, the Commission applies for an Order to Show Cause Re Preliminary Injunction and
8 Appointment of a Permanent Receiver.

9 As detailed in the accompanying papers, this matter involves a scheme to defraud
10 investors in two Funds managed by Feathers and SB Capital. The Commission requests the
11 immediate assistance of the Court to prevent on-going violations of the federal securities laws
12 and to prevent the further dissipation of investor funds obtained by the defendants.

13 The Commission makes this Application pursuant to Rule 65(b) of the Federal Rules of
14 Civil Procedure and Local Rules 7-10 and 65-1. The Commission is authorized to make this
15 application and the Court is authorized to grant a temporary injunction or restraining order and
16 other equitable relief, without bond, pursuant to 15 U.S.C. §§ 77t(a), 78u(d)(1), and 80b-14.

17 The Commission simultaneously requests that the Court excuse the Commission of its
18 obligation to notify defendants in advance of the application. *See* FED. R. CIV. P. 65(b); L.R. 65-
19 1(b). The Commission did not notify defendants before filing its *ex parte* application for fear
20 that Feathers might transfer investor funds out of defendants' bank accounts.

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1 This application is supported by the Commission's memorandum of points and
2 authorities, the declarations of Roger Boudreau and Susan F. Hannan, all materials attached to
3 the declarations, the proposed orders lodged by the Commission and such other oral or written
4 evidence as may be presented at the hearing.

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6 DATED: June 21, 2012

Respectfully submitted,

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8 /s/ John B. Bulgozdy
9 John B. Bulgozdy
Susan F. Hannan
Attorneys for Plaintiff
10 SECURITIES AND EXCHANGE COMMISSION
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